



Legislative Bulletin.....February 28, 2001

Contents:

H.R. 256: Eleven-Month Extension of Chapter 12 of Title 11 (Farmer Bankruptcy)

H.R. 256 — ELEVEN-MONTH EXTENSION OF CHAPTER 12 OF TITLE 11 RELATED TO FARM BANKRUPTCIES (SMITH (MI))

Order of Business: H.R. 256 will be brought up under suspension of the rules.

Summary: Chapter 12 of Title 11 provides special bankruptcy protections for family farms. These provisions were enacted on a temporary 7-year basis in 1986, but have been extended 9 times since they first expired. The current provisions expired on July 1, 2000. The proposed legislation would extend the provisions retroactively through June 1, 2001.

Cost to Taxpayers: CBO has previously found that similar legislation while affecting direct spending and revenue, had no significant impact on the federal budget.

Does the Bill Create New Government Programs or Regulations: No. The bill simply extends current law.

Constitutional Authority: Article I, Section 8, Clause 4 gives the Congress the power “to establish....uniform Laws on the subject of Bankruptcies throughout the United States.

Other Information: The bankruptcy reform bill under consideration in the House tomorrow would permanently extend this section of the bankruptcy code.

Concerns: None

RSC Staff Contact: Neil Bradley x 6-9717